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Conservatives Call for Additional Tax Relief to Be Included With Child Tax Credit Proposal

WASHINGTON, D.C. – Today Rep. Sue Myrick, chairman of the Republican Study Committee, a caucus of over 90 House conservatives, released the following statement:

"Over the past week, Members of the Democratic Caucus have expressed outrage that some individuals were 'left out' of the Jobs and Growth Tax Relief Reconciliation Act of 2003. While we believe that the tax relief bill was appropriately targeted to providing relief to those who pay income taxes, as opposed to those who do not pay income taxes, we share their concern that some tax relief was left out of the Jobs and Growth Tax Relief Bill. Specifically, we are concerned that the following provisions were not included in bill:

- **Elimination of the Marriage Penalty in the Child Tax Credit -** Current law penalizes married couples filing jointly by setting a phase-out for the child tax credit that is not double the phase-out level for single tax filers.

- **Ability of Residents of States With No Income Taxes to Deduct Their State Sales Tax -** Current law only permits taxpayers to deduct their state income taxes. Residents of all income levels in the states of Alaska, Florida, New Hampshire, Nevada, South Dakota, Texas, Tennessee, Washington and Wyoming who do not pay a state income tax are not permitted to deduct their sales tax.

- **Extension of the Net Operating Loss Carryback -** This provision, which was originally included in the House-passed bill, would allow numerous employers to reduce their tax burden, permitting them to retain and potentially expand employment.

- **Elimination of Arbitrary Sunsets -** The Jobs and Growth Tax bill also included numerous sunset provisions that will in the very near future deny taxpayers the relief included in the bill. Removal of these arbitrary sunset provisions would ensure continued assistance to millions of families.

- **Immediate and Permanent Elimination of the Death Tax -** Current law slowly phases out the Death Tax. Those who pass away today are no less deserving of the ability to pass along their small business or farm to their children than those who pass away in 2010.

- **Elimination of the Double Taxation of Social Security Benefits -** Until 1993, only half of Social Security benefits were subjected to income taxes. That first tier of taxes on 50% of benefits could be justified by arguing that the employer's share of payments into Social Security were never subject to individual income taxes during the employee's working career. The second tier of tax, signed into law by President Clinton in 1993, on up to 85% of benefits, is double taxation of this Social Security income and is harmful to America's seniors.

"There are, of course, numerous other tax relief provisions beyond those mentioned above that need to be enacted to provide relief to our overtaxed citizens. While we admit we were initially surprised by the Democratic Caucus' desire to pass additional tax relief legislation, we look forward to working with them to ensure additional tax relief for taxpaying Americans."